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Fifth Committee

Summary record of the 43rd meeting
Held at Headquarters, New York, on Wednesday, 17 December 1997, at 10 a.m.

Chairman: Mr. Chowdhury ..... (Bangladesh)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

Contents

Agenda item 116: Proposed programme budget for the biennium 1998-1999 (*continued*)

Programme budget implications of draft resolution A/52/L.65

Programme budget implications of draft resolution A/52/L.31

Programme budget implications of draft resolution A/52/L.68 B

Agenda item 142: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

(a) Financing of the United Nations peacekeeping operations (*continued*)

Agenda item 153: Human resources management (*continued*)

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97-83466 (E)

The meeting was called to order at 10.20 a.m.

Agenda item 116: Proposed programme budget for the biennium 1998-1999 (*continued*)

Programme budget implications of draft resolution A/52/L.65 (A/C.5/52/30)

1. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), orally presenting the Advisory Committee's report on the programme budget implications of draft resolution A/52/L.65, said that the Advisory Committee had considered an advance copy of the statement on the programme budget implications of draft resolution A/52/L.65 (A/C.5/52/30), which the Secretary-General had submitted in accordance with rule 153 of the rules of procedure of the General Assembly.

2. In paragraph 2 of the draft resolution, the General Assembly would authorize the renewal of the mandate of the United Nations component of the International Civilian Mission to Haiti (MICIVIH) until 31 December 1998, according to the terms of reference and modalities under which the Mission was operating. The three major tasks carried out by MICIVIH, namely, technical assistance, human rights promotion and civic education, and monitoring of the human rights situation, would be retained, with an emphasis on judicial reform, institutional consolidation and local capacity-building. The Advisory Committee further noted the recommendation of the Secretary-General to place the extension of the Mission's presence in a context not only of institutional consolidation but also of transition, in order to prepare successor mechanisms or agencies, such as the United Nations Development Programme (UNDP) and the Organization of American States (OAS), to fully assume the Mission's responsibilities in institution-building, which required long-term continuity of planning and implementation.

3. The Advisory Committee further noted that no provision had been made in the proposed programme budget for the biennium 1998-1999 for the activities of MICIVIH for 1998. Paragraph 7 and annex I of the Secretary-General's statement indicated that estimated costs for the extension of the Mission's mandate for the period from 1 January to 31 December 1998 would amount to $8,273,300 gross ($7,677,200 net). The Advisory Committee had been informed that during the previous five months the monthly cost for the functioning of MICIVIH had amounted to $514,800, whereas for 1998 it had been estimated at $639,800 per month. That amount had been used to strengthen the Mission in the areas of institution-building, particularly of the judiciary, and of human rights promotion and education.

4. Upon enquiry, the Advisory Committee had been further informed that the total projected expenditures for the biennium 1996-1997 would amount to $10.8 million at the end of 1997, whereas the amount received in terms of appropriation and commitment authority would total $9.8 million for the same period. The $1 million overrun was attributable to staff costs, since there had been no vacancies during the period.

5. The Advisory Committee wished to point out that administrative backstopping continued to be provided by the United Nations Civilian Police Mission in Haiti (MIPONUH), whose mandate expired in November 1998, and that if the Security Council did not approve an extension of the Mission's mandate beyond that date, it would be necessary to re-examine the administrative requirements of MICIVIH.

6. The Advisory Committee noted that, in order to strengthen the Mission, the Secretary-General proposed to re-establish a presence in nine of the country's regions in order to better fulfil the Mission's monitoring and institution-building responsibilities. It was also proposed to increase the staffing component from 116 to 132 posts and to supplement it by the recruitment of 10 international and 6 local consultants, whose cost would be fully borne by the United Nations. Total personnel costs of $5,860,600 were estimated on the basis of a 10 per cent vacancy rate for 1998.

7. The strengthening of the Mission and the increase in the number of regional offices and staff had led to increases in, *inter alia*, the rental of premises for equipment, maintenance and public information activities. Seventeen additional vehicles, to be provided from existing stock, were also required on account of the poor road conditions and the fact that most of the MICIVIH vehicle stock had come from the peacekeeping operation in Somalia.

8. The Advisory Committee recommended that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/52/L.65, an additional appropriation of $7,677,200 would be required under section 3, Peacekeeping operations and special missions, of the proposed programme budget for the biennium 1998-1999 for the activities of MICIVIH for the period from 1 January to 31 December 1998. The Advisory Committee also noted that an additional appropriation of $596,100 would be required under section 32, Staff assessment, to be offset by a corresponding amount under income section 1, Income from staff assessment.

9. **The Chairman** suggested that, on the basis of the statement of programme budget implications (A/C.5/52/30) and the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should draft resolution A/52/L.65 be adopted, an additional appropriation of $7,677,200 would be required under section 3, Peacekeeping operations and special missions, of the proposed programme budget for the biennium 1998-1999. An additional appropriation of $596,100 would also be required under section 32, Staff assessment, to be offset by a corresponding amount under income section 1, Income from staff assessment. Those requirements would be considered at a later date in the context of the proposed programme budget for the biennium 1998-1999.

10. *It was so decided.*

Programme budget implications of draft resolution A/52/L.31 (A/C.5/52/31)

11. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), orally presenting the Advisory Committee's report on the programme budget implications of draft resolution A/52/L.31, said that the activities outlined in paragraph 3 of the statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly (A/C.5/52/31) would require related resources equivalent to one staff each at the P-4 level and the General Service level to assist in all aspects of the Secretary-General's involvement in the Central American peace process. Should the General Assembly adopt draft resolution A/52/L.31, an additional appropriation of $173,800 would be required under section 3, Peacekeeping operations and special missions, of the proposed programme budget for the biennium 1998-1999. An additional appropriation of $32,300 would also be required under section 32, Staff assessment, to be offset by a corresponding amount under income section 1, Income from staff assessment.

12. **The Chairman** suggested that, on the basis of the statement of programme budget implications (A/C.5/52/31) and the recommendations of the Advisory Committee, the Fifth Committee should inform the General Assembly that, should draft resolution A/52/L.31 be adopted, an additional appropriation of $173,800 would be required under section 3, Peacekeeping operations and special missions, of the proposed programme budget for the biennium 1998-1999. An additional appropriation of $32,300 would also be required under section 32, Staff assessment, to be offset by a corresponding amount under income section 1, Income from staff assessment. Those requirements would be considered at a later date in the context of the proposed programme budget for the biennium 1998-1999.

13. *It was so decided.*

14. **Mr. Lozinski** (Russian Federation) said that it would be helpful if the Secretariat could produce documents for delegations in a more user-friendly format. In the item under consideration, pages 2 and 3 of the Russian version of the Secretary-General's statement (A/C.5/52/31) appeared in Spanish. He hoped that such lapses would not occur again in the future.

15. **The Chairman** said that he would ask the Secretariat to convey the Committee's concerns to the relevant Secretariat offices.

Programme budget implications of draft resolution A/52/L.68 B (A/C.5/52/33)

16. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions), orally presenting the Advisory Committee's report on the programme budget implications of draft resolution A/52/L.68 B, said that the Advisory Committee had considered the statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly and relating to the situation in Afghanistan and its implications for international peace and security (A/C.5/52/33).

17. As indicated in the Secretary-General's statement, the United Nations Special Mission to Afghanistan would continue its primary role in conducting United Nations peacemaking activities in Afghanistan. The Special Mission would continue to operate in Islamabad and Kabul and, for reasons indicated in paragraph 5 of the Secretary-General's statement, three additional small offices/liaison outposts would be opened in Kandahar, Mazar-I-Sharif and Turkmenistan in 1998.

18. In order to allow for greater flexibility in the implementation of the Mission's mandate, provisions for staffing would be made under temporary assistance. The requirements would include the provision for continuation through 1998 of the staffing level approved by the General Assembly for 1997, namely, an Assistant Secretary-General as the Head of the Special Mission to Afghanistan, six posts from the Professional category and above, two General Service posts, four Field Service posts and 17 local level staff. The requirements would also include provision for continuation of five military advisers and two civilian police posts. An additional requirement of seven local level posts had been requested to staff the three new liaison offices.

19. Upon enquiry, the Advisory Committee had been informed that the estimates had been prepared on the basis of standard costs, but that in certain instances they had been based on mission-specific requirements as well as on the experience gained in the area of operation. That had been reflected, for example, in differences between the 1997 submission and the 1998 estimates for such items as staff travel and vehicle maintenance and operation.

20. On the basis of the assumptions outlined in paragraphs 2 to 6 of his statement, the Secretary-General estimated that an additional appropriation of $4,007,700 would be required for continuation of activities during 1998, under section 3, Peacekeeping operations and special missions, of the proposed programme budget. An additional appropriation of $327,300 would also be required under expenditure section 32, Staff assessment, to be offset by the same amount under income section 1, Income from staff assessment.

21. The Advisory Committee recalled that, in July 1997, the Secretary-General had appointed a Special Envoy to Afghanistan whose terms of appointment had been on a "when-actually-employed basis". The Advisory Committee wished to point out that there was no mention of that fact in the Secretary-General's statement, nor had travel requirements for the Special Envoy been included in the estimates.

22. The Advisory Committee noted that, under the terms of paragraph 6 of draft resolution A/52/L.68 B, the Secretary-General would be encouraged to pursue the question of preliminary studies on the imposition of an effective arms embargo and how such an embargo could be implemented in a fair and verifiable manner. While no resources had been included in the estimates for that purpose, the Advisory Committee had been informed, upon enquiry, that the studies would possibly be undertaken and financed through voluntary contributions.

23. The Advisory Committee recalled that, prior to January 1997, the Special Mission had been using the aircraft operated by the United Nations Office for the Coordination of Humanitarian Assistance to Afghanistan (UNOCHA). However, since January 1997, a separate lease/charter arrangement for aircraft for the Special Mission had been in place. The Advisory Committee had been informed that, notwithstanding the fact that use of UNOCHA aircraft would cost $100,000 less than the cost of a separate airplane, it was not feasible to use the UNOCHA aircraft, which ran on a set schedule and was often not available at the appropriate time for the activities of the Special Mission.

24. Bearing in mind the foregoing comments and observations, the Advisory Committee recommended that the Fifth Committee should inform the General Assembly that, should it adopt draft resolution A/52/L.68 B, an additional appropriation of $4,007,700 would be required under section 3, Peacekeeping operations and special missions, of the proposed programme budget. An additional appropriation of $327,300 would also be required under section 32, Staff assessment, to be offset by the same amount under income section 1, Income from staff assessment.

25. **Mr. Sial** (Pakistan) said that he had been instructed by his Government to seek from the Secretariat written responses to a number of specific questions. He wished to know how many missions the Special Mission had undertaken to Afghanistan during 1997, both from Islamabad and from Headquarters. He also sought information regarding the total expenditure on travel, including subsistence allowances, from both Islamabad and Headquarters, as well as the total expenditure on the rental of premises for accommodation in Pakistan and elsewhere. He asked about the locations other than Pakistan in which staff of the Special Mission were located and wanted to know what the nationalities of the staff of the Special Mission were. His Government also wished to know the details of expenditures on alterations and renovations to premises occupied by the Special Mission, the locations at which those amounts had been spent, the justification for the increase in the amounts requested for travel from Headquarters and the reasons for the increase in the rental of premises for the Special Mission.

26. **Mr. Sach** (Director of the Programme Planning and Budget Division) said that, with the assistance of the Department of Political Affairs, he would endeavour to provide written responses later that day to those questions.

27. **The Chairman** said he took it that the Committee wished to defer consideration of the item.

28. *It was so decided.*

Agenda item 142: Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations (*continued*)

(a) Financing of the United Nations peacekeeping operations (*continued*) (A/C.5/52/L.7)

Draft resolution A/C.5/52/L.7

29. **Ms. Peña** (Mexico), reporting on the results of informal consultations on the draft resolution, said that, even though the extensive consultations held had produced a good basis for future work on the item, it had not been possible to reach agreement on a recommendation to the Committee.

She therefore proposed that the matter should be taken up again during the Committee's resumed session.

30. **Mr. Bond** (United States of America) said that although he supported the general thrust of the draft resolution in its current form, his delegation was not in a position to approve the text. It would have a number of substantive proposals to make on the question during the Committee's resumed session.

31. **The Chairman** suggested that, in the light of the statement made by the representative of Mexico, the Committee should defer to the second part of its resumed session consideration of the question of third-party liability: temporal and financial limitations.

32. *It was so decided.*

Agenda item 153: Human resources management (*continued*) (A/C.5/52/L.14)

Draft resolution A/C.5/52/L.14

33. **Ms. Incera** (Costa Rica), introducing draft resolution A/C.5/52/L.14 on human resources management, said that the various sections of the draft resolution dealt with the family leave programme, implementation of the performance appraisal system, the system of performance awards or bonuses, amendments to the Staff Rules and the implementation of General Assembly resolution 51/226, specifically the restriction contained in paragraph 26 of section III.B thereof and the eligibility of staff for internal vacancies as provided for in paragraph 27.

34. *Draft resolution A/C.5/52/L.14 was adopted.*

35. **Mr. Yamagiwa** (Japan), explaining his delegation's position on the resolution just adopted, said that General Assembly resolution 51/226 was so complex that further clarifications were required before it could be implemented in a manner consistent with the current Staff Regulations and Rules. His delegation supported the thrust of paragraph 2 of section V of the new resolution, which would ensure that only staff who had passed a national competitive examination could be recruited to posts at the P-1 to P-3 levels. However, the wording of paragraph 1 of section V was more problematical. While apparently not in contradiction with what had been said about the subject previously, paragraph 1 failed to exempt a sufficient number of the short-term appointees referred to in paragraph 26 of resolution 51/226. Japan was therefore pleased that the General Assembly planned to revert to the matter at the first part of its resumed fifty-second session, as stated in paragraph 3 of section V.

36. **Mr. Herrera** (Mexico) requested the Secretariat to correct a minor translation error in the Spanish version of section II, paragraph 2.

37. **Mr. Bond** (United States of America) said that his delegation continued to have misgivings about the issue of acquired rights as outlined by the Secretariat in its conference room paper on the implementation of resolution 51/226 (A/C.5/52/CRP.2). He trusted that a clearer picture of the concept of acquired rights would emerge in subsequent discussions.

38. In relation to paragraph 27 of resolution 51/226, his delegation had had in mind a non-monetary incentive for mission service, and he trusted that the Fifth Committee would continue to bear such a concept in mind.

39. **Ms. Goicochea Estenoz** (Cuba) said that discussion of human resources management had taken up too much time for a non-personnel year. With reference to section III, paragraph 1, the translation into Spanish had diluted the political impact of the original English text. The Secretariat should make an appropriate correction or clarification. Her delegation also welcomed the intention stated in section V, paragraph 3, to continue consideration of the implementation of resolution 51/226.

40. **Ms. Emerson** (Portugal) said that the General Assembly should have the courage to recognize that certain elements of resolution 51/226 did not serve the best interests of the Organization and should be amended accordingly.

41. **Mr. Saha** (India) said that parts of resolution 51/226 were indeed difficult to interpret, and the General Assembly should resume its consideration of the issue.

42. **Mr. Amnéus** (Sweden) said that the resolution just adopted had not addressed the question of the privileges and immunities of United Nations officials. That omission reflected not a lack of interest but a lack of time to debate the issue.

43. **Mr. Ahounou** (Côte d'Ivoire) said that his delegation had supported the adoption of resolution 51/226 on the understanding that staff members who had made sacrifices in the field should receive an appropriate reward. If problems subsequently arose with any part of that resolution, it should be renegotiated as a whole.

44. **Ms. Goicochea Estenoz** (Cuba) said that her delegation had received an unconfirmed report that an administrative instruction had been circulated to staff stating that there would be a review of the status of recruitment of personnel and that those staff members who currently held fixed-term contracts would have those contracts renewed, but for a reduced period. The Assistant Secretary-General

for Human Resources Management should indicate whether such an instruction actually existed. If it did, it should be made available to the Fifth Committee. Her delegation also wished to know which provisions of resolution 51/226 would be implemented in respect of any such review. Information should also be provided with regard to the implications of and justification for such a review.

45. **Ms. Salim** (Assistant Secretary-General for Human Resources Management) said, with regard to the concerns raised by the representative of Cuba, that document ST/AI/1997/7 had been issued to deal with recruitment procedures for professional staff in connection with the implementation of resolution 51/226. Section 6 of the instruction required temporary appointments to be justified by temporary needs and stipulated that the offer of employment should inform temporary staff that their appointment might be terminated when the temporary need no longer existed. That requirement would apply only to future staff, since no contract had yet been issued under the provisions of instruction ST/AI/1997/7. It did not apply to current staff members and did not provide for termination of their appointment. The instruction had been the subject of Secretariat-wide staff consultation through established procedures.

46. With regard to current staff members on fixed-term contracts, managers had been instructed not to extend such contracts beyond February 1998. If and when the General Assembly adopted the proposed programme budget, the Secretariat would not be in a position to conduct the necessary comparative review of staff which had been agreed as a result of staff-management consultations by the end of 1997. It had therefore been decided to allow the extension of such fixed-term contracts until the end of February in order to ensure fairness in considering the fate of all the staff concerned.

47. No administrative instruction had been issued in respect of the current redeployment process since no final budget decision had been reached by the General Assembly. The Department of Administration and Management had issued guidance on dealing with anticipated problems to all departments and offices. The guidance had been provided to assist departments in completing a review of all staff whose posts might be affected by the proposed reduction in posts throughout the Secretariat. Staff-management consultations had been maintained throughout. Staff had been asked for input and their suggestions had by and large been incorporated into the resulting guidelines, which had been made available to the Fifth Committee.

48. In determining the placement of staff against available posts, the Secretariat had established a Task Force to outline the various administrative options and procedures that were available to deal with redeployment. A temporary recruitment freeze against vacant posts had been introduced in the General Service category at Headquarters. Agreed terminations would be considered on a case-by-case basis, provided that the resulting vacant post would be abolished to meet the 1998-1999 post-reduction targets or would become available for placement of a staff member from the redeployment list. Other organizations and agencies of the United Nations common system had been approached with the request to consider potential redeployees from the United Nations Secretariat.

49. Guidelines had been issued outlining administrative steps and key procedures to be followed by the affected departments and offices. A list was being compiled which would match redeployees against corresponding vacancies. The list would subsequently be presented to a joint advisory panel to consider placement of candidates. Where appropriate, the Office of Human Resources Management intended to provide related training to redeployed staff to boost their qualifications for vacant posts. Finally, in some cases where staff could not be accommodated in the Secretariat, temporary field assignments in peacekeeping and humanitarian missions would be explored. In cases where it proved impossible to redeploy staff, the Secretary-General intended to revert to the General Assembly for guidance on the appropriate course of action.

50. **Ms. Goicochea Estenoz** (Cuba) asked the Assistant Secretary-General to put her replies in writing and circulate them to Member States. It was obvious that the issue of human resources management would have to be explored further during the first part of the Fifth Committee's resumed fifty-second session.

51. Given that there were more vacancies than posts scheduled for elimination, the Office of Human Resources management should indicate why fixed-term contracts were being extended only until the end of February 1998. The Assistant Secretary-General should also indicate what would happen to posts for permanent staff who were currently serving on field missions. Finally, her delegation had noted that $13 million had been requested for training under the proposed programme budget, but Action 19 of the Secretary-General's programme for reform contained in document A/51/950 mentioned an amount of $19 million. No Secretariat official had been able to inform her delegation where it could find that figure in the budget, and the Assistant Secretary-General's comments on the matter would be most welcome.

The meeting rose at 11.45 a.m.

United Nations A/C.5/52/SR.44

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Summary record of the 44th meeting
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Chairman: Mr. Chowdhury ..... (Bangladesh)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

Contents

Statement by the President of the General Assembly

Agenda item 115: Programme budget for the biennium 1996-1997 (*continued*)

Agenda item 116: Proposed programme budget for the biennium 1998-1999 (*continued*)

Report of the Secretary-General on the revised estimates in respect of matters of which the Security Council is seized (*continued*) (A/C.5/52/24 and A/52/7/Add.6)

Programme budget implications of draft resolution A/52/L.68 B: The situation in Afghanistan and its implications for international peace and security (*continued*) (A/C.5/52/33)

Programme budget implications of draft resolution A/52/L.72: United Nations reform: measures and proposals (A/C.5/52/36)

Report of the Secretary-General on the contingency fund: consolidated statement of programme budget implications and revised estimates (A/C.5/52/35)

Report of the Secretary-General on revised estimates: effect of changes in rates of exchange and inflation (A/C.5/52/34)

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The meeting was called to order at 5.10 p.m.

Statement by the President of the General Assembly

1. **Mr. Udovenko** (President of the General Assembly) said that, while the other Main Committees had completed their work, the Fifth Committee still had some very important decisions to take. The Second Committee had voted to approve six important draft resolutions on the subject of development, and they had been adopted by consensus in plenary meeting. He hoped that the Fifth Committee, which currently had an unusually heavy workload, would nonetheless be able to complete its work quickly, and appealed to all delegations to make every possible effort to that end.

Agenda item 115: Programme budget for the biennium 1996-1997 (*continued*) (A/C.5/52/32)

2. **The Chairman** invited the Committee to resume its consideration of the second performance report, contained in document A/C.5/52/32.

3. **Mr. Repasch** (United States of America) asked for clarification regarding the possibility that some part of the $10.4 million allocated to the Integrated Management Information System (IMIS) in the report could be allocated to future budget periods, including 1998-1999. His delegation felt that at least $2.5 million could be allocated to 1996-1997.

4. **Ms. Goicochea Estenoz** (Cuba) proposed that the oral statement made by the Chairman of the Advisory Committee on Administrative and Budgetary Questions should be issued as an official document.

5. Her delegation felt that any decision taken by the Fifth Committee should refer to the difficulties that had been experienced in the implementation of United Nations mandates and programmes during the biennium 1996-1997 as a result of General Assembly resolution 50/214. Any decision should also reflect the way in which vacancy rates had been exceeded; vacancy rates should not be used as a tool to achieve savings. Further, her delegation was seriously concerned by the negative consequences of the application of economy measures.

6. Her delegation still believed that, for technical reasons, the $10.4 million referred to by the representative of the United States of America should be removed from the amounts detailed in the second performance report; its inclusion would contravene established budgetary procedure.

7. **Mr. Halbwachs** (Controller), responding to the query by the representative of the United States of America, referred to paragraphs 50 and 51 of the ninth progress report of the Secretary-General on IMIS (A/52/711), which showed that there had been additional expenditure of $3.2 million up to 1997; if any amount were to be kept in the performance report, subject to the Committee's decision, it should be that amount.

8. **Mr. Repasch** (United States of America) said that his delegation would circulate copies of a proposed resolution on that issue. The two final paragraphs of the proposed resolution read: "Requests the Advisory Committee to examine the ninth progress report on IMIS in conjunction with its consideration of the related report of the Board of Auditors and in this regard invites the Advisory Committee to report on the matter at its resumed fifty-second session," and "Decides that pending General Assembly consideration of the reports concerning IMIS at its resumed fifty-second session, the supplementary provisions for IMIS of $10,362,100 provided in the final appropriation for the 1996-1997 biennium should not be encumbered without prior approval of the General Assembly."

9. **Mr. Goicochea Estenoz** (Cuba) said that her delegation could not accept that proposal. Requirements which would arise for IMIS for the next biennium should be considered at that time. Established budgetary procedure should be followed.

10. **The Chairman** said that, in response to the earlier request by the Cuban delegation, the oral statement of the Chairman of the Advisory Committee would be issued as an official document.

11. In the light of the fact that a new proposal was to be circulated, he suggested that the Committee should go on to discuss the remaining items.

12. **Mr. Repasch** (United States of America) asked whether it was possible for an amount to be appropriated without being encumbered.

13. **Mr. Halbwachs** (Controller) said that that was the case.

Agenda item 116: Programme budget for the biennium 1998-1999 (*continued*)

Report of the Secretary-General on the revised estimates in respect of matters of which the Security Council is seized (*continued*) (A/C.5/52/24 and A/52/7/Add.6)

14. **The Chairman** drew attention to the report of the Secretary-General contained in document A/C.5/52/24 on

the revised estimates in respect of items of which the Security Council was seized, and to the related report of the Advisory Committee, contained in document A/52/7/Add.6.

15. He suggested that the Committee should recommend to the General Assembly that it should take note of the report of the Secretary-General and concur with the observations and recommendations of the Advisory Committee on Administrative and Budgetary Questions in paragraph 16 of its report.

16. **Ms. Goicochea Estenoz** (Cuba) proposed that the decision should refer to the report of the Advisory Committee as a whole, rather than only paragraph 16.

17. **The Chairman** said that he took it that the Committee wished to adopt the draft decision with the amendment proposed by the Cuban delegation.

18. *It was so decided.*

Programme budget implications of draft resolution A/52/L.68 B: The situation in Afghanistan and its implications for international peace and security (A/C.5/52/33)

19. **Mr. Sial** (Pakistan) said that very high expenditure was being incurred for travel and rental of aircraft for missions between Afghanistan and Pakistan in the pursuit of peacemaking efforts. Since peace currently prevailed in more than 80 per cent of the territory of Afghanistan, including Kabul, he hoped that the United Nations Special Mission to Afghanistan (UNSMA) would seriously consider moving its office to Kabul. By doing so, it would save a large amount which could be used for peacemaking efforts in Afghanistan. His delegation was confident that, when the matter was next discussed by the Committee, that move would have taken place.

20. He drew attention to an error on the first page of Annex I to the document, where it should be specified that the amounts referred to in the table were in thousands of dollars.

21. **The Chairman** said that the necessary corrigendum would be issued.

22. He suggested that, based on the recommendations of the Advisory Committee, the Committee should decide to recommend to the General Assembly that, should it adopt draft resolution A/52/L.68 B, an additional appropriation of $4,007,700 would be required under section 3 of the proposed programme budget for the biennium 1998-1999; an additional appropriation of $327,300 would also be required under section 32 (Staff assessment), offset by the same amount under income section 1, Income from staff assessment. Those requirements would be considered in the context of the proposed programme budget for the biennium 1998-1999.

23. *It was so decided.*

Programme budget implications of draft resolution A/52/L.72: United Nations reform: measures and proposals (A/C.5/52/36)

24. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, by paragraph 1 of draft resolution A/52/L.72, the General Assembly would decide to establish the post of Deputy Secretary-General as an integral part of the Office of the Secretary-General, as set out in the reports and communications of the Secretary-General related to reform. Paragraph 3 of the statement of programme budget implications (A/C.5/52/36) stated that the requirement for the post for the biennium 1998-1999 had been estimated in the amount of $621,100, and that that amount had been included in the proposed programme budget. The statement had been examined by the Advisory Committee, and its comments on the question of the establishment of the post of Deputy Secretary-General were contained in its second report. That report contained a number of options regarding the emoluments of the Deputy Secretary-General. Depending on which option was recommended to the General Assembly, the amount of $621,100 would have to be reconsidered accordingly.

25. The adoption of the resolution by the plenary Assembly would not give rise to additional requirements over and above the Secretary-General's revised estimates as detailed in document A/52/303.

26. Paragraph 2 of the draft resolution would endorse the recommendation of the Secretary-General to discontinue the High-level Advisory Board on Sustainable Development, for which a provision of $362,300 had been made in the proposed programme budget under section 7A. Should the General Assembly adopt the draft resolution, a corresponding reduction would have to be made.

27. The draft resolution contained a number of other decisions with potential financial implications. Paragraph 24, for example, dealt with the establishment of a development account. Those matters were subject to future reports by the Secretary-General, and the Advisory Committee would review them in the manner indicated in the draft resolution and also in Chapter I of its first report on the proposed programme budget for the biennium 1998-1999.

28. **Ms. Goicochea Estenoz** (Cuba) said that the statement of programme budget implications did not fully cover all the budgetary implications of the draft resolution. For example, paragraph 16 referred to the transfer to the United Nations Development Programme of responsibilities for operational activities for natural disaster mitigation, prevention and preparedness, and paragraph 24, as the Chairman of the Advisory Committee had pointed out, referred to the establishment of a development account. Also, her delegation felt that it was unnecessary to approve the statement of programme budget implications as a separate document, since the entire issue was to be discussed in the context of document A/52/303; she requested clarification of that point.

29. Regarding the post of Deputy Secretary-General, the Chairman of the Advisory Committee had pointed out that the Fifth Committee had to take a decision regarding emoluments; it was not until that decision had been taken that the Committee could take a decision regarding the real financial implications of the draft resolution. Her delegation therefore felt that the budgetary implications of establishing the post should be discussed within the framework of document A/52/303.

30. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the approximately $2 million to be transferred to UNDP for operational activities for natural disaster mitigation, in accordance with A/52/L.72, paragraph 16, would be provided as a grant for the biennium 1998-1999. Subsequent financing would be subject to the consideration of the report of the Secretary-General as requested in paragraph 17 of that draft resolution.

31. It was the view of the Advisory Committee that the Fifth Committee should inform the General Assembly that, if it should adopt draft resolution A/52/L.72, at the current stage it would give rise to the additional requirements contained in A/C.5/52/36, paragraph 5. That requirement would be considered in the context of the deliberations on the programme budget for the biennium 1998-1999, and adoption of that draft resolution would also have administrative and financial implications in future bienniums beyond 1998-1999. The General Assembly would thus be informed of both its immediate and its future implications.

32. **Ms. Goicochea Estenoz** (Cuba) said that her delegation needed time to consult its Government before being able to reach a decision.

33. **The Chairman** said that the statement of programme budget implications contained in document A/C.5/52/36 had been issued in fulfilment of rule 153 of the rules of procedure. The report of the Secretary-General (A/52/303) was actually the statement of programme budget implications for his reform programme. Accordingly, he proposed that the Committee should adopt the following draft decision: "... Should the General Assembly adopt draft resolution A/52/L.72, no additional requirements would arise in respect of the creation of the post of Deputy Secretary-General beyond those already foreseen and mentioned in paragraph 1A.2 of the report of the Secretary-General contained in document A/52/303. On the other hand, a reduction of $362,300 under section 7A would result from the discontinuation of the High-level Advisory Board. The programme budget implications arising out of that resolution are being considered in the context of the programme budget for the biennium 1998-1999. Any potential administrative and financial implications which may arise at a later stage in the context of the implementation of that resolution will be taken up in the context of future budgets."

34. **Mr. Tommo Monthe** (Cameroon) said that another element which the Committee must decide was the grade level to be assigned to the post of Deputy Secretary-General.

35. **Mr. Odaga-Dalomayo** (Uganda) said that he concurred with the representative of Cameroon that there were other elements to be considered; consultations should therefore continue.

36. **The Chairman** said that further informal consultations would be held on document A/C.5/52/36.

Report of the Secretary-General on the contingency fund: consolidated statement of programme budget implications and revised estimates (A/C.5/52/35)

37. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Secretary-General had indicated that the amount of $245,200 would be charged to the contingency fund for the biennium 1998-1999 under Section 6 (Legal affairs). He advised the Fifth Committee to recommend to the General Assembly that the amount should be appropriated and to take note of the remaining balance in the fund.

38. **Ms. Goicochea Estenoz** (Cuba) inquired about the current status of the statement of programme budget implications of draft resolution A/C.2/52/L.43, involving an additional requirement of $120,000 under Section 7A of the programme budget, submitted by the Second Committee.

39. Her delegation also expressed its concern that the Third Committee had approved a draft resolution for which two different statements of programme budget implications had been submitted. The first statement had requested the

amount of $87,000, to be charged to the contingency fund, for travel by representatives of least developed countries to allow them to attend the preparatory meetings for the Tenth United Nations Congress on the Prevention of Crime and the Treatment of Offenders. Subsequently, a revision had been submitted stating that the amount would be absorbed. Her delegation took note of the answers provided informally by the Secretariat, but believed that such a practice was in violation of General Assembly resolution 41/213. Enough remained in the contingency fund to cover such activities, to which her delegation attached great importance; there was no need to absorb the additional costs.

40. **Mr. Halbwachs** (Controller) said that the preparation of statements of programme budget implications began in the substantive committee, which sometimes modified its decisions, obviating the need for additional appropriations. It was his understanding that, with regard to the Second Committee resolution which the representative of Cuba had mentioned, UNFPA had offered to cover the travel costs of representatives from the least developed countries to the meeting, and therefore, no funds from the regular budget would be required.

41. **The Chairman** suggested that the Committee should request the General Assembly to take note that a balance of $18,754,800 remained in the contingency fund.

42. *It was so decided.*

43. **Mr. Tommo Monthe** (Cameroon) said that the fact that the appropriation being requested from the contingency fund was relatively small demonstrated that United Nations organs had been reasonable and responsible in their use of the Organization's financial resources. It also demonstrated that the budget mechanisms established in General Assembly resolution 41/213 were working well.

Report of the Secretary-General on revised estimates: effect of changes in rates of exchange and inflation (A/C.5/52/34)

44. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee had considered the report of the Secretary-General which contained revised estimates resulting from the effect of changes in rates of exchange and inflation (A/C.5/52/34). The impact of the proposed recosting on the proposed programme budget for 1998-1999 was a net decrease of $113,725,200 under the expenditure sections, from $2,636,313,400 to $2,522,588,200, and a decrease of $10,620,200 under the income sections, from $366,671,500 to $356,051,300. The net decrease under the expenditure sections reflected a combined effect of reduced requirements of $120.7 million resulting from revised exchange rate assumptions and an increase of $7 million in respect of inflation. The Advisory Committee requested that future revised estimates on changes in rates of exchange and inflation should indicate not only changes in expenditure and income, but also a total revised budget in gross and net terms.

45. As indicated in paragraphs 2 and 5 of the report of the Secretary-General, the recosting was based on data available to December 1997, the latest exchange rates, in accordance with the view of the Advisory Committee that the Administration should use such operational rates of exchange in its recosting exercises as would allow for the lowest estimates.

46. The Advisory Committee noted from paragraph 8 of the report that the recosting exercise had incorporated the adjustments arising from (i) the Secretary-General's report on United Nations reform, (ii) five statements of programme budget implications (the mission in Guatemala, the report of the International Law Commission, the situation in Haiti, the situation in Central America and the situation in Afghanistan) and (iii) the revised estimates in respect of matters of which the Security Council was seized. It pointed out that those statements were based on requirements for 1998 only. Considering the practice of budget implementation during the past several years, most special missions included in document A/C.5/52/34 would be likely to continue in 1999. The Advisory Committee had been informed, upon inquiry, that, should that be the case, the related requirements for 1999 would amount to approximately $65 million. Unless there were favourable changes in exchange rates and inflation during the biennium 1998-1999, the potential of the revised budget of $2,522,588,200 gross to absorb additional requirements of such magnitude appeared highly questionable; indeed, if the exchange rate situation were to deteriorate, the pressure on the budget would be very severe.

47. Furthermore, the Advisory Committee recalled that in the course of its review of the second performance report for the biennium 1996-1997, it had recommended that a provision of $10.4 million for the development of the Integrated Management Information System (IMIS) should be deleted from the programme budget for 1996-1997, pending its consideration of the Secretary-General's ninth report on IMIS during its February-March 1998 session. The question of additional requirements for the development of IMIS of up to $10.4 million, including a provision of $3.2 million for implementation support already provided by the contractor, would have to be dealt with in the context of the programme budget for the biennium 1998-1999, following

consideration of the Secretary-General's ninth progress report on IMIS (A/52/711).

48. The Advisory Committee had been informed that the revised estimates of the proposed programme budget for the biennium 1998-1999 did not include all the possible financial implications of such decisions as the General Assembly might take on administrative expenses of the United Nations Joint Staff Pension Fund; should the General Assembly accept its recommendation in that regard, an additional amount in excess of $2 million would be required. In that connection, the Advisory Committee pointed out that as indicated in paragraph 9 of the Secretary-General's report, the recosting would be subject to further revisions as necessary, pending decisions of the Fifth Committee on a number of issues still under consideration.

49. The statistics by duty station relating to the rates of exchange and inflation, as well as the breakdown of the effect of the recosting on expenditure sections of the proposed programme budget for 1998-1999 were provided in the annexes to document A/C.5/52/34.

50. Subject to the foregoing observations, the Advisory Committee had found no technical basis for objecting to the Secretary-General's revised estimates arising from the recosting of the effects of changes in rates of exchange and inflation, and accordingly transmitted them to the Fifth Committee for consideration.

51. **Mr. Tommo Monthe** (Cameroon) said that the Committee would be wise to take the statement by the Chairman of the Advisory Committee as a warning that, if in a year's time the peacekeeping missions needed additional resources, it must be prepared to find another source besides the effects of exchange rate fluctuations and inflation.

52. **The Chairman** suggested that the Committee should recommend to the General Assembly that it take note of the report of the Secretary-General on the revised estimates: Effect of changes in rates of exchange and inflation, as contained in document A/C.5/52/34.

53. *It was so decided.*

The meeting rose at 6.35 p.m.

United Nations A/C.5/52/SR.45

General Assembly
Fifty-second session

Official Records

Distr.: General
13 January 1998

Original: English

Fifth Committee

Summary record of the 45th meeting
Held at Headquarters, New York, on Friday, 19 December 1997, at 3 p.m.

Chairman: Mr. Chowdhury ..... (Bangladesh)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

Contents

Agenda item 116: Proposed programme budget for the biennium 1998-1999 (*continued*)

Programme budget implications of draft resolution A/52/L.72/Rev.1 concerning agenda item 157 (continued)

Salary and retirement allowance of the Secretary-General and salary and pensionable remuneration of the Administrator of the United Nations Development Programme

Agenda item 115: Programme budget for the biennium 1996-1997 (*continued*)

Second performance report (continued)

Other matters

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97-83481 (E)

The meeting was called to order at 3.25 p.m.

Agenda item 116: Proposed programme budget for the biennium 1998-1999 (*continued*)

Programme budget implications of draft resolution A/52/L.72/Rev.1 concerning agenda item 157 (*continued*) (A/C.5/52/36; A/52/L.72/Rev.1)

1. **The Chairman** proposed that the Committee should decide to recommend to the General Assembly that it take note of the relevant report of the Secretary-General and recommendations of the Advisory Committee on Administrative and Budgetary Questions and that the programme budget implications arising out of draft resolution A/52/L.72/Rev.1 should be considered in the context of the proposed programme budget for the biennium 1998-1999 (A/52/303 and Add.1).

2. *It was so decided.*

Salary and retirement allowance of the Secretary-General and salary and pensionable remuneration of the Administrator of the United Nations Development Programme (A/52/7/Add.8)

3. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee's report (A/52/7/Add.8) was being submitted to the General Assembly in implementation of the Assembly's resolutions concerning the salaries, allowances and pensionable remuneration of staff. Paragraphs 1 to 8 contained the Advisory Committee's comments on the salary and retirement allowance of the Secretary-General and salary and pensionable remuneration of the Administrator of the United Nations Development Programme (UNDP). Paragraphs 9 and 10 dealt with the financial implications of the Advisory Committee's recommendations. The annex to the report contained a draft resolution whose effect would be to bring up to date the salary and retirement allowance of the Secretary-General and the salary and pensionable remuneration of the Administrator of UNDP. He wished to commend the Advisory Committee's report to the Fifth Committee.

4. **Mr. Bond** (United States of America) asked how the figure of $9,416 in paragraph 9 (b) of the Advisory Committee's report had been reached.

5. **Mr. Mselle** (Chairman of the Advisory Committee on Administrative and Budgetary Questions) assured the representative of the United States that the estimate in question had been carefully calculated on the basis of the recommendations contained in the Advisory Committee's report. He would be in a position to provide a more specific answer to the query after he had had time to consult the relevant worksheet.

6. **The Chairman** proposed that the Committee should adopt the draft resolution contained in the annex to the Advisory Committee's report.

7. *It was so decided.*

Agenda item 115: programme budget for the biennium 1996-1997 (*continued*)

Second performance report (*continued*) (A/C.5/52/32)

8. **The Chairman** proposed that consideration of the item should be deferred to allow informal consultations on the subject to continue.

9. *It was so decided.*

Other matters

10. **Mr. Tommo-Monthe** (Cameroon) said that the General Assembly had entrusted the Committee with the consideration of items such as the scale of assessments, the proposed programme budget and personnel questions, which were of an extremely delicate nature. It was therefore important for the Committee to be given enough time to reach agreement on those items, on which the future strength and effectiveness of the Organization depended.

11. **Mr. Deineko** (Russian Federation) announced that, in fulfilment of an earlier undertaking, the Russian Federation had that morning made a payment to the United Nations in an amount of over $63 million, thereby clearing its arrears in respect of the peacekeeping budget and significantly reducing its arrears with respect to the United Nations operations in Lebanon and Somalia. The payment was further testimony to the Russian Federation's preparedness to completely pay off its arrears to the Organization.

The meeting rose at 3.50 p.m.

United Nations A/C.5/52/SR.46

General Assembly
Fifty-second session

Official Records

Distr.: General
21 January 1998

Original: English

Fifth Committee

Summary record of the 46th meeting
Held at Headquarters, New York, on Monday, 22 December 1997, at 11 a.m.

Chairman: Mr. Chowdhury ..... (Bangladesh)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

Contents

Agenda item 115: Programme budget for the biennium 1996-1997 (*continued*)

Agenda item 116: Proposed programme budget for the biennium 1998-1999 (*continued*)

Agenda item 120: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*)

Agenda item 114: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Completion of the Committee's work for the main part of the fifty-second session of the General Assembly

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97-83487 (E)

The meeting was called to order at 12.50 p.m.

Agenda item 115: Programme budget for the biennium 1996-1997 (*continued*) (A/C.5/52/L.20)

Draft resolution A/C.5/52/L.20

1. *Draft resolution A/C.5/52/L.20 was adopted.*

Agenda item 116: Proposed programme budget for the biennium 1998-1999 (*continued*) (A/C.5/52/L.18 and A/C.5/52/L.19)

Draft resolution A/C.5/52/L.18

2. **Mr. Riva** (Argentina), introducing draft resolution A/C.5/52/L.18, said that part III, paragraph 28, should be deleted.

3. **The Chairman** invited delegations to indicate any other changes to be made to the draft resolution.

4. **Mr. Nour** (Egypt), speaking on behalf of the Group of 77 and China, said that the following changes should be made to reflect the understanding reached in the informal consultations: the last phrase of part II, paragraph 2, "and requests the Secretary-General to take necessary measures thereon", should be deleted; part III, paragraph 8, should read "*Notes* that the newly created Department of General Assembly Affairs and Conference Services would not ..."; the end of part III, paragraph 26, should read "... and also decides to have, in the new Department, two P-5 posts, one of which is proposed for abolition and the other is to be established"; the last part of part III, paragraph 41, should be reworded to read "... and to submit its conclusions and recommendations thereon to the General Assembly for its consideration during the first part of its fifty-third session and no later than 1 October 1998"; the words "to replace the existing extrabudgetary financed post" should be added to the end of part III, paragraph 48; in the first line of part III, paragraph 51, the words "least developed" should be deleted; in part III, paragraph 58, the word "*Endorses*" should be replaced by the words "*Takes note* of"; and, in the fifth line of part III, paragraph 68, the word "service" should be replaced by the word "services".

5. **Mr. Maddens** (Belgium), speaking on behalf of the European Union, said that, in accordance with the understanding reaching in informal consultations, the posts for the Strategic Planning Unit mentioned in part III, paragraph 5, should also include one P-5 post.

6. In annex II, paragraph 17, the word "Pertinent" should be deleted. In annex II, paragraph 34, the last phrase of the first new paragraph should read "and to promote awareness about the content and importance of the right to development, including through information and educational activities"; the second sentence of the second new paragraph should read "These objectives will be pursued within the framework of the indivisibility, interdependence and interrelatedness of all human rights and will be aimed at facilitating the implementation of standards, the work of treaty bodies, special rapporteurs and other bodies, the preparation of new standards, ensuring the recognition on the national and international level of economic, social and cultural rights, promoting democracy and strengthening national human rights institutions and procedures for the rule of law, contributing to the elimination of racism, racial discrimination, xenophobia and new forms of discrimination, strengthening the recognition of the human rights of women and children, and the protection of vulnerable groups such as minorities, migrant workers and indigenous people".

7. With respect to annex III, paragraph 4, the words "national" and "transition" should be deleted from paragraph 14.3 of the programme narrative.

8. **Ms. Letrot** (France) said that the following changes should be made to the draft resolution: part II, paragraph 15, should read "... to make careful use of resources for consultants and experts, general temporary assistance, travel, electricity and hospitality during the biennium ..."; in part II, paragraph 17, the phrase "in particular in the area of publications at Geneva," should be added after the words "... the commercial activities of the United Nations,"; part III, paragraph 15, should end with the words "... conference services provided", and the remainder of the paragraph should be deleted; lastly, in part III, paragraph 87, the word "*Notes*" should be replaced by "*Takes note*".

9. **The Chairman** pointed out that the paragraphs in part III relating to section 25 were wrongly numbered in the English version.

10. **Ms. Goicochea Estenoz** (Cuba) said, with reference to part III, paragraph 45, that annex IV should contain tables indicating the resources allocated under each subprogramme. In annex II, there was a problem with the Spanish version of paragraph 26 (a); in addition, annex II, paragraphs 34 and 35, should be revised, as agreed, to bring them into line with the medium-term plan.

11. **Mr. Schlesinger** (Austria) said, with regard to annex III, that it would be clearer if paragraph 4 were to read: "In paragraph 14.3, first sentence, delete "national" and "the transition to".

12. **Mr. Herrera** (Mexico), referring to the Belgian suggestion that the word "Pertinent" in annex II, paragraph

17, should be deleted, said that the wording in that paragraph had been used by the Committee for Programme and Coordination (A/52/16, para. 185 (e)).

13. **Mr. Ovia** (Papua New Guinea), referring to part III, paragraph 12, said that his delegation questioned the inclusion of a P-5 post.

14. **The Chairman** said that agreement on the P-5 post had been reached in informal consultations the previous day.

15. **Mr. Marcondes De Carvalho** (Brazil) said that part III, paragraph 89, should be amended to read "*Decides* to establish a P-4 post in the Media Division for a Portuguese language radio producer".

16. **Mr. Mirmohammad** (Islamic Republic of Iran) asked whether part III, paragraph 80, referred exclusively to the preceding paragraphs 75 to 79.

17. **Mr. Sach** (Director of the Programme Planning and Budget Division) confirmed that that was indeed the case.

18. **Ms. Chen Yue** (China) said her delegation recalled that the representative of Papua New Guinea had been present when agreement had been reached on part III, paragraph 12, in informal consultations. The matter should not therefore be reopened.

19. **Ms. Peña** (Mexico) said that, in light of the proposal to delete part III, paragraph 28, her delegation wished to suggest the following alternative formulation: "*Decides* to establish a post of Under-Secretary-General to head the Department of Disarmament Affairs". Such wording would dispel the implication that the Secretary-General was bypassing the General Assembly's prerogative to establish or abolish posts. It should also be noted that the proposal made by European Union to delete the word "pertinent" in paragraph 17 of annex II was directly contradictory to the position of her delegation.

20. **The Chairman** said that the deletion of the word "pertinent" had in fact been agreed upon during informal consultations.

21. **Mr. Ovia** (Papua New Guinea) said that his delegation had no intention of reopening the debate on the P-5 post referred to in part III, paragraph 12. However, in view of the financial crisis besetting the Organization, his delegation could accept a Political Affairs Officer at the P-4 level.

22. **The Chairman** said that the draft resolution currently before the Committee reflected the agreement that had been reached in informal consultations.

23. **Mr. Ovia** (Papua New Guinea) said that his delegation was prepared to join the consensus, but that the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples would monitor the implementation of the resolution, on the understanding that it would enhance the work of the stand alone Decolonization Unit.

24. **Mr. Nour** (Egypt) asked for clarification on the status of part III, paragraph 28.

25. **The Chairman** suggested that the current formulation should be replaced by the following: "*Decides* that the new Department for Disarmament Affairs will be headed by an Under-Secretary-General".

26. **Mr. Sial** (Pakistan) said that the substitution of Under-Secretary-General for Assistant Secretary-General in part III, paragraph 28, would be an anomaly in the context of the draft resolution as a whole. The current formulation was superfluous and his delegation could not therefore agree to it.

27. **Mr. Deineko** (Russian Federation) said that the proposal regarding a new formulation for paragraph 28 had only just been introduced and would have to be referred back to his Government. His delegation was not therefore in a position to agree to the new wording at the current meeting.

28. **Mr. Humenny** (Ukraine) said that his delegation could not agree to the new wording. However, it was prepared to delete paragraph 28 entirely.

29. **Mr. Tommo Monthe** (Cameroon) said that the Secretary-General had already proposed that the new Department should be headed by an Under-Secretary-General, while some delegations had requested that the post should be downgraded to the level of Assistant Secretary-General. If, as had been proposed, the paragraph was deleted in its entirety, the Secretary-General's original proposal would still remain.

30. **Ms. Peña** (Mexico) said that the General Assembly was the only body with the power to create or abolish posts. Therefore, if it failed to pronounce itself on the new post referred to in part III, paragraph 28, there could be no legislative basis for the post.

31. **The Chairman** drew the attention of the Committee to part II, paragraph 2, of the draft resolution which stated that the General Assembly would approve the comments and recommendations of the Advisory Committee subject to the provisions of the resolution itself. The Advisory Committee had recommended that the new Department should be headed by an Under-Secretary-General and there was therefore no need to repeat the fact in the present draft resolution.

32. **Mr. Sach** (Director of the Programme Planning and Budget Division), referring to paragraph 24 of the second report of the Advisory Committee (A/52/7/Add.1), confirmed that the Advisory Committee had accepted the Secretary-General's proposal that the new Department should be headed by an Under-Secretary-General. There was full legal authority for the creation of the new post and no special mention to that effect was required in the draft resolution currently before the Committee.

33. **Ms. Peña** (Mexico) said that, in the light of the explanations received, her delegation was prepared to join the consensus to delete paragraph 28.

34. **Mr. Marcondes De Carvalho** (Brazil) said that a similar understanding should apply to section 26 of the budget, under which the new Office of Communications and Public Information would also be headed by an Under-Secretary-General.

35. **Mr. Nour** (Egypt) asked the Secretariat to clarify that the same understanding did in fact apply to the post just referred to by the representative of Brazil.

36. **Mr. Sach** (Director of the Programme Planning and Budget Division) said that that was indeed the case, and in that connection he referred the Committee to paragraph 47 of the Advisory Committee's second report.

37. *Draft resolution A/C.5/52/L.18, as orally revised, was adopted.*

38. **Mr. Maddens** (Belgium), speaking on behalf of the European Union, said that the Union would explain its position on the draft resolution which had just been adopted at the next plenary meeting of the General Assembly.

39. **Mr. Sulaiman** (Syrian Arab Republic) said that a new headquarters for the High Commissioner for Human Rights had been made available at the Palais Wilson by the Government of Switzerland. Since the General Assembly had been unable to discuss the relevant report of the Secretary-General in the context of the programme budget for the biennium 1998-1999, in anticipation of certain information requested from the Advisory Committee, his delegation hoped that the matter would be discussed and brought to a conclusion during the first part of the resumed session of the Fifth Committee, in order to facilitate the work of the High Commissioner in the new headquarters.

40. **Mr. Saha** (India) said that the first sentence of paragraph 2B.4 in paragraph 1 of annex III to the draft resolution which had just been adopted seemed to be ambiguous and should be checked against earlier documents, specifically the medium-term plan.

41. **Ms. Powles** (New Zealand), speaking also on behalf of Canada and Australia, said that the budget which had just been adopted reflected the theme of reform. It formalized most of the restructuring of the Secretariat, gave effect to the idea of redirecting savings realized in non-programme costs into development activities via the development account, and included the concept of net budgeting. The structure of the Secretariat and its staffing levels were primarily questions for the Secretary-General to decide, but the policy framework for the budget should be set by the General Assembly.

42. Negotiations had revealed several shortcomings in the current budgetary process. In the interests of greater predictability and budgetary discipline, there should be fewer add-ons to the initial level of appropriations which had just been approved. Current budgetary procedures also provided too little information about the results or outputs of programmes.

43. The negotiation process would not be complete without the presentation, at all important stages, of the total expenditures and income by section, as well as a summary showing the total level of expenditures, income and the net regular budget. Such information should therefore be provided not only in the performance report but also in the outline documents and in informal consultations.

44. **Mr. Yamagiwa** (Japan) said that, while his delegation welcomed the total level of appropriations for the biennium 1998-1999 in the amount of $2,532 million, it noted that that figure represented an increase of $10 million over the total appropriations contained in the budget outline after recosting. His delegation also welcomed the concept of net budgeting in regard to the Joint Inspection Unit, the International Civil Service Commission and the Vienna Conference and Security Services, and looked forward to receiving the relevant report from the Secretary-General. The appropriation to the newly established development account was another positive step.

45. A considerable number of additional appropriations would be required for special missions in 1998. In that connection, his delegation had some concerns about currency fluctuations during the coming biennium, and was particularly concerned that the current strength of the United States dollar would not last. Those factors should be kept in mind in the context of the revised appropriations for the biennium 1998-1999, which would be considered by the Committee in 1998.

46. **Ms. Goicochea Estenoz** (Cuba) said that her delegation had accepted the practice of net budgeting on the understanding that it would be kept under review, especially

with respect to its potential impact on the activities of the Joint Inspection Unit and the International Civil Service Commission; her delegation awaited with interest the report to be submitted on the subject. She had serious reservations about the resource request for section 22, since it deviated from the process established by General Assembly resolution 41/213 by including activities for which no mandate had existed when the budget had been prepared. Her delegation awaited the report requested in part III, paragraph 79, of draft resolution A/C.5/52/L.18 so that appropriate measures could be taken. She also had reservations about the fact that section 1B did not include the secretariats of all the Main Committees; the proposal should have been consistent in that respect. It was important to continue to work on the basis of General Assembly resolution 41/213 as a whole throughout the biennium so as to avoid distorting the budget process, as had occurred in the biennium 1996-1997.

47. **Mr. Sial** (Pakistan) said that it was his delegation's understanding that part III, paragraph 32, of the draft resolution did not reflect a selective approach, but applied uniformly to section 3 of the budget.

48. **Ms. Peña** (Mexico) said she trusted that the agreements reflected in the draft resolution would be implemented fully by the Secretariat and supported by a commitment on the part of Member States to paying their assessments in full, on time and without conditions. She shared the views expressed by the Cuban delegation concerning the budget process established by General Assembly resolution 41/213 and the secretariats of the Main Committees of the General Assembly and of the Security Council. She hoped that the posts approved for the coming biennium would be filled as soon as possible and that the unsatisfactory experience of 1996-1997 would not be repeated. For example, one post which had been approved for the Economic Commission for Latin America and the Caribbean (ECLAC) had not even been advertised until September 1997, as the biennium was drawing to a close.

49. **Mr. Farid** (Saudi Arabia) said that the Secretariat had never replied to his delegation's questions as to the number of posts to be abolished which pertained to developing countries and details on the staff members who had been transferred from the regular budget to the support account and then back to the regular budget since the inception of the support account. He expected that that information would be provided during the first part of the resumed fifty-second session.

50. **Mr. Repasch** (United States of America) said he was pleased that the Committee had adopted a budget which would allow for the implementation of approved mandates and which reflected continuing reform efforts and better managed programmes.

51. **The Chairman** drew attention to part III, paragraph 94, of the draft resolution, which referred to the need to rationalize the Committee's working methods. It was important for the Committee to improve, in particular, the manner in which it considered and took decisions on proposed budgets.

Draft report of the Fifth Committee (A/C.5/52/L.19)

52. **The Chairman** drew attention to document A/C.5/52/L.19, which contained the draft report of the Fifth Committee. In particular, he invited the Committee to take action on the draft resolutions recommended in paragraph 28 of the report. Draft resolution I, which was contained in document A/C.5/52/L.18, had already been adopted. If he heard no objection, he would take it that the Committee also wished to adopt draft resolutions II (Programme budget for the biennium 1998-1999), III (Special subjects relating to the proposed programme budget for the biennium 1998-1999), IV (Unforeseen and extraordinary expenses for the biennium 1998-1999) and V (Working Capital Fund for the biennium 1998-1999).

53. *Draft resolutions II, III, IV and V (A/C.5/52/L.19, para. 28) were adopted.*

54. **Mr. Nour** (Egypt) said that, in the table contained in paragraph 11 of document A/C.5/52/L.19, the references to the consideration of the task force report should be deleted from section 26 (Communications and public information), paragraph II (b); section 32 (Staff assessment), paragraph IV (d); and income section 1 (Income from staff assessment), paragraph V (d), to reflect the request contained in part III, paragraph 89, of document A/C.5/52/L.18. Moreover, the two P-5 posts for the new Department for Disarmament Affairs should be reflected in the table under section 32, paragraph IV (Fifth Committee adjustments).

55 **Mr. Ovia** (Papua New Guinea) pointed out that the table contained references to documents A/52/303 and Add.1 under sections 1A, 1B, 2A and 2B. However, the posts approved by the Committee did not conform to the proposals contained in document A/52/303/Add.1. The references in the table should therefore be changed to reflect what the Committee had approved by adopting draft resolution A/C.5/52/L.18.

56. **Mr. Sach** (Director of the Programme Planning and Budget Division) said that the posts approved by the Committee under sections 1B and 2A were reflected in document A/C.5/52/L.18, which superseded document

A/52/303/Add.1. The two P-5 posts approved for the Department for Disarmament Affairs were reflected in the table in document A/C.5/52/L.19 under section 2B, paragraph II. The fact that there was no separate reference to those posts under section 32 or income section 1 would not limit the use of the posts; any minor adjustments that might be necessary could be made at a later stage.

57. **Mr. Marcondes De Carvalho** (Brazil) said that the decision to add a P-4 post under section 26 (Communications and public information) had not been reflected in the table in document A/C.5/52/L.19. Paragraph II (a) of that section referred to the "regularization of the position of a radio producer", but indicated an approved amount of zero.

58. **Ms. Brennen-Haylock** (Bahamas) said that the D-1 post which had been approved under section 7A (Economic and social affairs) was for the Office of the Special Adviser to the Secretary-General on Gender Issues and Advancement of Women, not for the Division for the Advancement of Women, as indicated in paragraph II (a) of section 7A in the table in document A/C.5/52/L.19.

59. **Mr. Sach** (Director of the Programme Planning and Budget Division) said that due note had been taken of the correction made by the representative of the Bahamas. With respect to the comment made by the Brazilian delegation, the regularization of the post in question meant that the cost of the new P-4 post would be offset by a corresponding reduction in contractual services.

60. **Mr. Farid** (Saudi Arabia) asked how the proceeds received from other organizations for the financing of the Joint Inspection Unit were treated for accounting purposes, and specifically whether those amounts were credited under miscellaneous income.

61. **Mr. Sach** (Director of the Programme Planning and Budget Division) said that the proceeds from the organizations which participated in the work of the International Civil Service Commission and the Joint Inspection Unit would be credited as miscellaneous income until the end of the current biennium. However, with the switch to net budgeting, those amounts would subsequently be credited to the special account for those two items.

62. **Mr. Farid** (Saudi Arabia) asked why, if Member States covered the expenses of the Joint Inspection Unit, the partial reimbursement received from other organizations was credited as miscellaneous income instead of being returned to Member States.

63. **Mr. Sach** (Director of the Programme Planning and Budget Division) said that the proceeds from the specialized agencies and other organizations that participated in the work of the Joint Inspection Unit and the International Civil Service Commission would be held in special accounts to finance the portion of those activities which was not financed by the regular budget. There was therefore no surplus to return to Member States.

Agenda item 120: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*) (A/C.5/52/L.17)

64. **The Chairman** drew attention to draft resolution A/C.5/52/L.17, entitled "Scale of assessments for the apportionment of the expenses of the United Nations", and read out the changes which had been agreed upon in informal consultations.

65. **Mr. Boynton** (United States of America) said, with respect to the review of the scale methodology to be conducted by the Committee on Contributions (A/C.5/52/L.17, section C), that his Government regretted that the draft resolution did not include specific requests from Member States concerning the issues to be studied. The unusual procedure by which Member States could make their requests only through explanations of position should not constitute a precedent.

66. His Government requested that, in the review of the scale methodology, the Committee on Contributions should pay particular attention to the following points: the reduction of the base period to three years beginning in 2001; annual recalculation; the use of purchasing power parity conversion rates; the application of different progressive gradients to countries below the low per capita income threshold, based on their share of the total of Member States' gross national product (GNP); the pattern of per capita assessments for all Member States in relation to the average per capita assessment; the application of the debt burden adjustment and, in particular, the extent to which the use of either debt flow or debt stock duplicated the consideration of debt in the calculation of GNP; the implications of using gross domestic product (GDP) instead of GNP; the applicability of Article 17 of the Charter and of rule 160 of the rules of procedure to the scale of assessments for the peacekeeping budget; the ability of Member States to decide voluntarily to pay more than their assessed amounts; and the issue of discontinuity resulting from the application of the low per capita income adjustment.

67. **Ms. Goicochea Estenoz** (Cuba) said that in the second preambular paragraph of draft resolution A/C.5/52/L.17, the phrase "in accordance with rule 160 of the rules of procedure" should be added after the words "capacity to pay".

68. With regard to section C, her delegation felt that, at its next session, the Committee on Contributions should take into account the application of paragraph 3 of General Assembly resolution 48/223 B, the need to maintain exchange rates in accordance with General Assembly resolution 46/221, the possibility of eliminating the ceiling, and the possibility of increasing the gradient of the low per capita income adjustment formula, and should review the question of the debt burden adjustment. Her delegation had serious reservations about section D and could not accept conditions which would affect the multilateral nature of the Organization.

69. **Mr. Atiyanto** (Indonesia) said his delegation believed that the expenses of the Organization should be apportioned according to the principle of capacity to pay. It strongly supported the view that the low per capita income adjustment should be applied to developing countries; that adjustment was one of the fundamental aspects of the scale methodology. It believed that the debt burden adjustment should be applied in calculating the scale of assessments, taking into account the continuing serious economic and financial situation of the developing countries, especially those with a high level of external debt. His Government expressed continued support for the work of the Organization, despite the current financial distress of the Indonesian economy.

70. **Mr. Maddens** (Belgium), speaking on behalf of the European Union and the associate countries of the Czech Republic, Hungary, Lithuania, Poland and Romania, said that the European Union welcomed the trend towards a better reflection of recent economic realities in the calculations for establishing the scale of assessments, particularly in the case of the low per capita income adjustment. It was disappointing that that trend was not reflected to the same extent with regard to the statistical base period and the debt burden adjustment. Those elements were important in terms of the equity and transparency of the scale and the maximum reflection of capacity to pay. It was encouraging that the new minimum contribution of 0.001 per cent was part of the methodology. However, the results achieved, taking into account the interests of a few Member States which had shown little flexibility, were not truly equitable for the majority of States.

71. With regard to the future work of the Committee on Contributions, it was disappointing that only one, fairly general, paragraph had been agreed upon. It appeared that the General Assembly had in some way abdicated its responsibility to give clear instructions to the Committee on Contributions. The European Union believed that the reduction of the statistical base period to three years was still necessary and should be accorded priority, particularly since the Committee on Contributions had already reached a similar conclusion (A/51/11, para. 75). Moreover, a more detailed study should be carried out on the concept of annual recalculation. Lastly, consideration needed to be given to the low per capita income adjustment.

72. **Mr. Ho Tong Yen** (Singapore) said that, when considering ways of addressing the problem of discontinuity at the threshold of the low per capita income adjustment, the Committee on Contributions must adhere to the basic principle that the low per capita income adjustment was intended to provide relief for countries with per capita incomes below the world average and not to impose a progressive surcharge on countries with per capita incomes above the threshold. In attempting to address a limited problem faced by a group of countries, the Committee on Contributions must avoid introducing new and possibly greater distortions in the scale of assessments.

73. **Mr. Abdullah** (Bahrain) said that his delegation endorsed the comments made by the representative of Singapore. In the search for ways of addressing the problem of discontinuity, the solution could not be to place a progressive surtax on countries with high per capita incomes.

74. **Ms. Brennen-Haylock** (Bahamas) said that her delegation associated itself with the comments made by the representative of Singapore. It firmly believed that the issue of discontinuity should not be addressed by placing an additional burden on countries with high per capita incomes; that would produce greater distortions in the scale methodology.

75. **Mr. Greiver** (Uruguay), speaking on behalf of the members of the Common Market of the Southern Cone (MERCOSUR) and the associated countries of Bolivia and Chile, referred to the earlier statements made on behalf of MERCOSUR in the Committee and in the plenary Assembly. The scale of assessments was the sum of all the components of the methodology and, if even one of the elements was not properly reflected, the result would not correspond to capacity to pay. The MERCOSUR countries were deeply concerned about the issue of the threshold countries, which must be given priority; a solution must be found to the unjust situation of one member of MERCOSUR. One solution would be to maintain the current system with a slight improvement: countries which were below the threshold would continue to qualify for the adjustment; those which crossed the threshold for the first time would not be subject to the adjustment or the surcharge for a certain period of time, but those which were still above the threshold after that

grace period would pay the surcharge. That would be a just solution, and provide for a gradual increase.

76. The MERCOSUR countries felt that, since exchange rates remained critical in determining income, the review of exchange rates must continue. The initial indicator should continue to be the current value in national currency of the gross national product (GNP), but when, after the exchange rate had been applied, that indicator did not reflect actual growth, some type of correction should be made to bring the scale of assessments more into line with economic reality.

77. The statistical base period must ensure stability in the scale, especially for developing countries with sharply fluctuating economies.

78. Future reports of the Committee on Contributions should include, as annexes, all the data used for each country and the mathematical formulae used at each stage. That information would be very important for delegations and would increase transparency.

79. **Mr. Takasu** (Japan) said his delegation felt that it was essential that the people of every Member State should feel that the responsibility for financing the United Nations was shared in a fair and equitable manner, otherwise it would be impossible to secure their support for the United Nations. His Government believed that the current methodology and parameters for calculating the scale of assessments did not produce a fair and equitable sharing of financial responsibility; the apportionment of the expenses of the Organization must correspond broadly to capacity to pay.

80. The low per capita income adjustment was a case in point: even after the gradient was reduced to 80 per cent, some Member States with large economies would still pay only one third or one quarter of their GNP share of the world economy. Since exchange rates affected the comparable income data, the selection of exchange rates was important; because of the market exchange rate, the scale sometimes did not reflect the real capacity to pay of some Member States.

81. His delegation believed that the share of each Member State in the financing of the United Nations should correspond to its status in the Organization, bearing in mind the concept of responsibility to pay: those countries with special responsibilities within the United Nations should bear a commensurate share of the financial burden. Permanent members of the Security Council were deeply involved not only in decision-making on peacekeeping operations, but also in many other issues which affected the daily operation and management of the Organization, including the nomination of candidates for Secretary-General. Yet the total share of the scale of assessment of the permanent members of the Security Council would fall well below 40 per cent in the proposed scale for 1998-2000. Two of the permanent members were not subject to per capita income reduction, and the largest contributor wished to lower the ceiling further. Thus the trend was for the share of the permanent members to continue to fall, while Japan's scale of assessment would rise to more than 20 per cent in the year 2000.

82. Another aspect of responsibility to pay was collective financial responsibility. Every Member State, large or small, was accorded equal status and voting rights in the General Assembly. At the same time, every Member State had to have at least a minimum share of financial responsibility. The proposal to bring down the floor to such a low level that some Member States would be assessed at just over $10,000 per year would therefore have to be considered carefully.

83. His delegation felt strongly that responsibility to pay should be taken into account in calculating the scale; that the gradient of the low per capita income adjustment should be reduced to 75 per cent at a minimum; and that the scheme of limits should be phased out.

84. Although the proposed scale of assessments did not fully ensure equity and fairness among Member States, in a spirit of consensus and despite severe financial and economic difficulties in Japan, his delegation would not block a consensus on draft resolution A/C.5/52/L.17.

85. Although section D of the draft resolution envisaged the possibility of reviewing the scale for the years 1999-2000, it was his delegation's understanding that the General Assembly was to adopt the proposed scale, which his delegation had accepted as a package for three years, based on the parameters set forth in section A, paragraph 1, of the draft resolution. While his delegation understood the argument that the financing of the Organization should not depend upon a single country or a limited number of countries, it noted that the largest contributor already received substantial discounts as a result of the 25 per cent ceiling. Lowering the ceiling further would be inconsistent with both the principle of capacity to pay and the concept of responsibility to pay. Any review of the scale for the years 1999-2000 should be a comprehensive review based on the recommendations of the Committee on Contributions. If the outcome of such a review was that Japan should assume an even larger share of the budget to compensate for additional benefits accorded to other countries, his delegation would find that option unacceptable.

86. His delegation hoped that the Committee on Contributions would engage in a thorough and

comprehensive review of all elements of the scale methodology. It should review the concept of responsibility to pay from a technical standpoint and draw up concrete recommendations to the General Assembly. It could consider, *inter alia*, the manner of applying the low per capita income adjustment in reflecting the status of Member States. The low per capita income adjustment should be reviewed in a comprehensive manner, since the current methodology was lacking in fairness and equity, particularly in the case of Member States with relatively low per capita incomes but large economies.

87. His delegation did not support the proposal regarding the progressivity of the low per capita income adjustment. The original purpose of the adjustment had been to reduce the financial burden of low income countries, while the purpose of progressive taxation systems used in some countries was usually to redistribute individual income. The proposal would produce a further departure from the equitable sharing of the burden among Member States.

88. **Mr. Hanson** (Canada) said that his delegation shared the concerns about the complexity of the scale of assessments, but was also mindful that among the 185 Member States there were extreme disparities in national income, per capita income, economic development and population, all of which must be taken into consideration.

89. It was regrettable that it had not been possible to reach consensus on specific guidance to be provided to the Committee on Contributions. His delegation felt that the Committee on Contributions should review the following elements: the possible reduction of the base period to three years for the scale periods following 1998-2000; the low per capita income adjustment, and ways of addressing the problem of discontinuity experienced by countries just above the threshold in relation to those just below it, including the possibility of removing that distortion by applying progressivity to the distribution of points to countries above the threshold, without departing from the basic principle of the low per capita income adjustment; the possible introduction of automatic annual recalculation of the scale of assessments through the annual updating of the statistical base data; the pattern of per capita assessments, and the possible reintroduction of the provision that the per capita assessment of any Member State should not exceed the per capita assessment of the Member State which had the highest assessment; and the application of the debt burden adjustment, including consideration of arrangements which best reflected the effect of the burden of debt on the capacity to pay of Member States.

90. His delegation supported the inclusion in draft resolution A/C.5/52/L.17 of a decision to consider reviewing the scale of assessments for the years 1999-2000 during the resumed fifty-second session, for the reasons stated by his country's Minister for Foreign Affairs earlier in the session in his statement to the General Assembly at its 12th plenary meeting.

91. **Mr. Lukk** (Estonia), speaking also on behalf of Latvia, associated himself with the statement made by the representative of the European Union.

92. **Mr. Armitage** (Australia) and **Ms. Powles** (New Zealand), associated themselves with the substance of the remarks made by the representative of Canada.

93. **Mr. Zhang Wanhai** (China) drew attention to a number of translation errors in the Chinese version of the draft resolution, which should be corrected by the Secretariat.

94. With regard to the statement made by the representative of Japan, he said that the question of responsibility to pay was a political matter and the Committee on Contributions could not be requested to make a decision thereon without a specific mandate from the General Assembly. China's status as a permanent member of the Security Council had not been bought with money. Rather, it was a tribute to his country's efforts to resist aggression in the Second World War, during which it had lost more than 27 million people. Those who launched wars of aggression had a greater responsibility in that regard. Just the previous week, for example, China had marked the sixtieth anniversary of the Nanking massacre. It was therefore all the more difficult for his country to accept the concept of responsibility to pay.

95. **Mr. Blukis** (Latvia) said that the discontinuity in the low per capita income adjustment had arisen as an unintended consequence of other decisions. The Committee on Contributions should therefore seek ways to minimize such consequences in the future. For its part, the Fifth Committee should exploit the valuable experience of the representative of Barbados, who had been the coordinator of the negotiations on the draft text, in seeking ways to improve its work during the resumed session.

96. **Ms. Güray** (Turkey) pointed out that the assessed contribution proposed for Turkey was not consistent with the provisions of the draft text on the elements of the scale. While her Government had a different interpretation of the scale and the table of assessments, it had no wish at the current late stage to block the consensus that had emerged within the Committee.

97. **Mr. Monayair** (Kuwait) supported the statements made by the representatives of the Bahamas, Bahrain and Singapore. The informal consultations had been characterized by attempts to introduce political issues into the technical discussion of the scale's elements, thereby delaying the final agreement. He hoped that such attempts would not be repeated in the future.

98. **Mr. Farid** (Saudi Arabia) supported the statements made by the representatives of Bahrain, Kuwait and Singapore. His Government was of the view that the principle of low per capita income adjustment should be upheld and that a progressive surtax should not be imposed on countries with high per capita incomes.

99. **Mr. Saha** (India) said that his delegation's acceptance of the proposed new scale was based on its commitment to the principle of capacity to pay and the stated intention of the Committee on Contributions to review all elements of the scale methodology. He did not agree, however, with the proposal that the question of purchasing power parity should be reviewed, since the introduction of that concept would only distort the consensus that had been achieved.

100. **Mr. Ramlal** (Trinidad and Tobago) said that the text of the draft resolution was a reaffirmation of the principle of capacity to pay and of the obligation of Member States to pay their assessed contributions in full, on time and without conditions. Owing to time constraints and the need to reach a consensus, section C of the draft resolution had emerged in a somewhat truncated form. That approach should not be used in future negotiations on the scale.

101. **Mr. Hanson-Hall** (Ghana), speaking on behalf of the Group of 77 and China, said that the proposed scale was based on the principle of capacity to pay. On the subject of the base period, the intention should not be to identify a particular period but to determine what was right and proper for all Member States. For its part, the debt burden adjustment should be based on the debt stock of the Member State in question.

102. **Ms. Peña** (Mexico) expressed the hope that the Committee on Contributions would consider various possible statistical base periods for determining the scale for the years 2001-2003. With regard to section D of the draft resolution, it was important to preserve the balance that had emerged from the discussions on the scale methodology.

103. **Ms. Aragon** (Philippines) said that her delegation associated itself with the remarks made by the representative of Indonesia on section C of the draft resolution. In reviewing the scale methodology, the Committee on Contributions should ensure that the interests of the developing countries were taken into account. The debt burden adjustment must be based on the debt stock of the Member State in question and the length of the base period must be considered in the context of the abolition of the scheme of limits.

104. **Mr. Elmontasser** (Libyan Arab Jamahiriya) said that, in calculating the scale, the Committee on Contributions should take account of the principle of capacity to pay and of specific economic difficulties outside the control of certain Member States. He supported the statements made by the representatives of Bahrain, Saudi Arabia and Singapore on the issue of discontinuity in relation to the low per capita income adjustment.

105. **The Chairman** said that he took it that the Committee wished to adopt the draft resolution, as orally revised.

106. *Draft resolution A/C.5/52/L.17, as orally revised, was adopted.*

107. **Mr. Humenny** (Ukraine), speaking in explanation of his delegation's position, said that the adopted text would bring the assessments of a large number of Member States more into line with their real capacity to pay. The new scale would provide Ukraine with an opportunity to reduce its arrears significantly. Indeed, his Government proposed to make a payment of over $20 million to the Organization within the next few days.

108. **Mr. Yussuf** (United Republic of Tanzania), speaking on behalf of the Group of 77 and China, said that the Group had been proud to join in the consensus and wished to urge all Member States to pay their contributions in full, on time and without conditions.

109. **Mr. Soon Chul Shin** (Republic of Korea) said that his delegation had joined in the consensus, despite its reservations concerning the scheme of limits. The successful functioning of the Organization depended on Members paying their assessed contributions in full and he therefore hoped that the Congress of the United States of America would now find it easier to pay off that Member State's arrears. With regard to section D of the draft resolution, his delegation was of the view that the discussion of the scale should not be reopened.

110. **Mr. Lozinsky** (Russian Federation) thanked all those who had helped the Committee to reach a consensus on the very sensitive issue of the scale of assessments.

Agenda item 114: Review of the efficiency of the administrative and financial functioning of the United Nations *(continued)* (A/C.5/52/L.15 and A/C.5/52/L.16)

Draft decision A/C.5/52/L.15

111. *Draft decision A/C.5/52/L.15 was adopted.*

Draft decision A/C.5/52/L.16

112. *Draft decision A/C.5/52/L.16 was adopted.*

Completion of the Committee's work for the main part of the fifty-second session of the General Assembly

113. After an exchange of courtesies, in which **Ms. Aragon** (Philippines), on behalf of the Association of South-East Asian Nations (ASEAN), **Mr. Riva** (Argentina), on behalf of the Group of Latin American and Caribbean States, **Mr. Van de Velde** (Belgium), on behalf of the European Union and the Group of Western European and Other States, **Mr. Hanson** (Canada), on behalf of Canada, Australia and New Zealand, **Mr. Tommo Monthe** (Cameroon), on behalf of the Group of African States, **Mr. Yussuf** (United Republic of Tanzania), on behalf of the Group of 77 and China, **Mr. Watanabe** (Japan), **Mr. Boynton** (United States of America), **Ms. Güray** (Turkey), **Mr. Pappalardo** (Paraguay), on behalf of the Rio Group, **Mr. Pham Quang Vinh** (Viet Nam) and **Mr. Ovia** (Papua New Guinea) took part, **the Chairman** declared that the Fifth Committee had completed its work for the main part of the fifty-second session of the General Assembly.

The meeting rose at 4.40 p.m.